

SCOTTSDALE



CITY COUNCIL MEETING

***AMENDED NOTICE AND AGENDA – REGULAR AND SPECIAL MEETINGS

(ADDED: 05/15/06 SPECIAL & REGULAR MINUTES AND ITEM 18 MAYOR AND COUNCIL ITEM)

COUNCIL

Mary Manross, Mayor

Betty Drake

Wayne Ecton

W.J. "Jim" Lane

Robert W. Littlefield

Ron McCullagh

Tony Nelssen

Tuesday, June 6, 2006

5:00 P.M.

CITY COUNCIL MEETING

MARKED AGENDA

Call to Order – City Hall Kiva Forum, 3939 N. Drinkwater Boulevard – **5:11 PM**

Oath of Office – Incoming City Council (Administered by the Honorable B. Monte Morgan)

Roll Call – **ALL PRESENT**

Pledge of Allegiance – **CUB SCOUTS TROOP 201, BOY SCOUT TROOP 200**

Invocation – **PASTOR PATRICK SULLIVAN, SCOTTSDALE BIBLE CHURCH**

Presentations/Information Updates

Public Comment - WILLIAM CRAWFORD PRESENTED PETITION FOR APPOINTMENT OF CHARTER OFFICER OF TREASURER; RICHARD FUNKE PROPOSED A 150 CAR PARKING FACILITY AND LAND EXCHANGE FOR WATER BOOSTER LOCATION; DAVID RAJPUT PRESENTED A PETITION FOR A NEWLY DRAFTED SEXUALLY ORIENTED BUSINESS ORDINANCE TO REPLACE THE ORDINANCE PREVIOUSLY ADOPTED BY THE COUNCIL; RITA SAUNDERS PRESENTED A PETITION REQUESTING RECONVENING THE ASU Ad Hoc COMMITTEE TO STUDY THE PROJECT AT SKYSONG AND REPORT BACK TO THE COUNCIL; GEORGE KNOWLTON SUBMITTED A PETITION REQUESTING COMPLIANCE OF RESIDENCY REQUIREMENTS FOR CHARTER OFFICERS.

Citizens may complete one speaker/citizen comment card per night and submit it to the City Clerk before or during this evening's meeting. Please check the box that refers to "Public Comment." This "Public Comment" time is reserved for citizen comments regarding non-agendized items. No official Council action can be taken on these items.

Approval of Minutes - **OK – 6/0 (TN**

SPECIAL MEETINGS

ABSTAIN)

WORK STUDY SESSIONS

EXECUTIVE SESSIONS

[April 28, 2006](#)

REGULAR MEETINGS

November 15, 2006

[May 2, 2006](#)

[May 2, 2006](#)

November 30, 2006

[May 9, 2006](#)

[***May 15, 2006](#)

January 10, 2006

[***May 15, 2006](#)

[May 23, 2006](#)

CONSENT AGENDA

ITEMS 1-14

How the Consent Agenda Works: The Council may take one vote to act on all items on the Consent Agenda, or may remove items for further discussion. Every interested citizen will have one opportunity to speak on any or all Consent Agenda items. If you wish to speak on these items, please complete a Comment Card for each topic you wish to address. **You will be given at least three minutes to speak on all the Consent Agenda items you wish to address. Additional time for multiple agenda items will be at the Mayor's discretion.**

After all speakers have finished, the City Council will decide which items to remove for additional discussion and/or presentation from staff. Items not removed from the Consent Agenda will be considered in one motion. Items removed for clarification or discussion by the Council will be acted on as appropriate.

1. **Blue Note Cellars (Restaurant) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for an existing location.
Location: 7419 E. Indian Plaza
Reference: 32-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Customer Service Chief Officer, 480-312-2664, cpadian@scottsdaleaz.gov
2. **New York Pizza Department (Restaurant) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for a new location.
Location: 14884 N. Pima Road, Suite 107
Reference: 33-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Customer Service Chief Officer, 480-312-2664, cpadian@scottsdaleaz.gov
3. **Grazie Pizzeria Silverleaf (Beer and Wine Bar) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a new series 7 (beer and wine bar) liquor license for a new location.
Location: 18835 N. Thompson Peak Parkway
Reference: 34-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Customer Service Chief Officer, 480-312-2664, cpadian@scottsdaleaz.gov
4. **Islands Fine Burgers & Drinks (Restaurant) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for a new location.
Location: 14826 N. Pima Road
Reference: 35-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Customer Service Chief Officer, 480-312-2664, cpadian@scottsdaleaz.gov
5. **Blu Burger Grille (Restaurant) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for a new location.
Location: 15425 N. Scottsdale Road, Suite 200
Reference: 37-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Customer Service Chief Officer, 480-312-2664, cpadian@scottsdaleaz.gov

6. **Village Tavern Agent Change (Restaurant) Liquor License – OK – C**

Request: Consider forwarding a favorable recommendation to the Arizona Department of Liquor Licenses and Control for an Agent Change for an existing restaurant.

Location: 8787 N. Scottsdale Road, Suite 234

Reference: 63-LL-2000#2

Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Customer Service Chief Officer, 480-312-2664, cpadian@scottsdaleaz.gov

7. **Performance Enhancement Professionals Health Studio – OK – C**

Requests:

1. Approve a conditional use permit for a health studio for an existing 3,199+/- square foot suite located at 9319 N. 94th Way, Suite 200, with Industrial Park, Planned Community District Zoning.
2. Adopt Resolution No. 6857 affirming the conditional use permit.

Location: 9319 N. 94th Way, Suite 200

Reference: 19-UP-2005

Staff Contact(s): Frank Gray, General Manager Planning and Development Services, 480-312-2890, fgray@scottsdaleaz.gov; Randy Grant, Chief Planning Officer, 480-312-7995, rgrant@scottsdaleaz.gov

8. **Construction Bid for Desert Ranch Area Waterline Replacements – OK – C**

Request: Authorize Construction Bid Award No. 05PB133 to Visus, Inc., the lowest responsive bidder, at the unit price bid of \$1,130,000 for waterline replacements in the vicinity of Desert Ranch on 84th Street near Pinnacle Peak Road. Waterline replacements include 8 water meters and extension of the waterline.

Reference: On March 18, 2002 Council approved Engineering Services Contract No. 2002-030-COS with CSA Engineering, Inc., for the design of waterline replacements.

Staff Contact(s): Roger Klingler, Assistant City Manager, 480-312-5830, rklingler@scottsdaleaz.gov

9. **Construction Bid for Paving, Traffic Signals and Landscaping for Thompson Peak Parkway from Bell Road to Union Hills Drive – OK – C**

Request: Confirm award of Phase II construction contract to Achen Gardner Engineering, LLC in the amount of \$4,536,411.25 for paving, traffic signals and landscaping on Thompson Peak Parkway from Bell Road to Union Hills Drive.

References:

- Council approved Development Agreement 2004-026-COS and Amendment No. 1 to Development Agreement 2004-026-COS with Edmunds-Toll Construction Company.
- On December 12, 2005 Council adopted Resolution No. 6792, which approved Cost Participation Agreement 2005-146-COS between Toll Brothers Arizona Construction Company and the City for the construction of Thompson Peak Parkway from Bell Road to Union Hills Drive.

Staff Contact(s): Roger Klingler, Assistant City Manager, 480-312-5830, rklingler@scottsdaleaz.gov

10. **FY 2005/06 Year-end Capital Project Close-outs – OK – C**

Requests: Approve the transfer of \$21,239 in capital budget appropriation and the necessary cash from Capital Contingency to close out four capital projects with nominal negative balances at the fiscal year-end.

Staff Contact(s): Craig Clifford, Financial Services General Manager/CFO, 480-312-2364, cclifford@scottsdaleaz.gov; Art Rullo, Budget Director, 480-312-2435, arullo@scottsdaleaz.gov

11. **[Amend the Scottsdale Revised Code Relating to the City Auditor for Timeframes, Retention Reports and Timing of External Peer Reviews](#) – OK – C**
Request: Adopt Ordinance No. 3679, amending Chapter 2, Division 6, Section 125, Section 126, and Section 129 of the Scottsdale Revised Code relating to the City Auditor.
Related Policies, References:
 - City Charter, Article 2, Section 20, Internal Auditor
 - City Ordinance, Chapter 2, Article III, Division 6, City Auditor**Staff Contact(s):** Cheryl Dreska, City Auditor, 480-312-7756, cdreska@scottsdaleaz.gov
12. **[Annual Contract With GPEC for Economic Development Marketing](#) – OK – C**
Requests:
 1. Adopt Resolution No. 6917 authorizing general funds in the amount of \$87,272 for provision of regional economic development marketing services.
 2. Approve Contract No. 2006-085-COS with the Greater Phoenix Economic Council (GPEC).**Related Policies, References:** Economic Vitality Strategic Plan
Staff Contact(s): David Roderique, Economic Vitality General Manager, 480-312-7601, droderique@scottsdaleaz.gov
13. **[FY2006/2007 Destination Marketing Services Agreement](#) – OK – C**
Request: Adopt Resolution No. 6918 approving Contract No. 2006-089-COS, the “Marketing Services Agreement between the City of Scottsdale and the Scottsdale Convention and Visitors Bureau, Inc.,” and authorizing \$6,382,652.66 for provision of those services. The Tourism Development Commission recommended the Council approve this action at their April 18, 2006 meeting.
Related Policies, References: City of Scottsdale Ordinances No. 2045/3576 (amended) and 2049/2702/3577 (amended) provide for funding of a destination marketing program on behalf of the City and Scottsdale Tourism Industry from the City’s bed tax revenues.
Staff Contact(s): David Roderique, Economic Vitality General Manager, 480-312-7601, droderique@scottsdaleaz.gov; Kathy Carlisle O’Connor, Tourism Development Manager, 480-312-7057, kcoconnor@scottsdaleaz.gov
14. **[Self-funded Medical Plans’ Summary Plan Description](#) – OK – C**
Request: Adopt Resolution No. 6902 approving changes to the City’s medical plans’ summary plan description documents for FY 2006/07. (Note: The changes incorporate Federal compliance requirements and the plan design changes authorized by the City Council on April 5, 2006 and other “housekeeping” changes.)
Related Policies, References:
 - Resolution No. 6421, dated December 8, 2003, authorizing benefit plan documents, summary plan description and contribution rates
 - Resolution No. 6650, dated March 22, 2005, authorizing FY 2005/06 contribution rates
 - Resolution No. 6824, authorizing FY 2006/07 contribution rates and plan design changes**Staff Contact(s):** Neal Shearer, Assistant City Manager, 480-312-2604, nshearer@scottsdaleaz.gov; Craig Clifford, Chief Financial Officer, 480-312-2364, cclifford@scottsdaleaz.gov; Teri Traaen, Human Resources General Manager, 480-312-2615, ttraaen@scottsdaleaz.gov

Regular Agenda begins on the Following Page

How the Regular Agenda Works: The Council takes a separate action on each item on the Regular Agenda. If you wish to address the Council regarding any or all of the items on the Regular Agenda, please complete a Comment Card for each topic you wish to address and submit it to the City Clerk. **You will be given at least three minutes to speak per item. Comment cards must be submitted before public testimony has begun on any regular agenda or public hearing item.**

15. The Cave Private Wine Room (Restaurant) Liquor License – MOTION TO DENY – OK – 7/0

Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for a new location.

Location: 8320 N. Hayden Road, Suite C-111

Reference: 24-LL-2006

Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Customer Service Chief Officer, 480-312-2664, cpadian@scottsdaleaz.gov

16. Truth in Taxation Public Hearing on Proposed Fiscal Year 2006/07 Property Tax Levy – MOTION TO APPROVE THE PROPOSED FISCAL YEAR 2006/07 PROPERTY TAX LEVY, BUT BE STRUCTURED IN SUCH A WAY AS TO REMAIN A FLAT INCREASE IN ACCORDANCE WITH THE TRUTH IN TAXATION FORMULAS – FAILED – 3/4 – (MM, BD, WE, RM)

MOTION TO APPROVE THE PROPOSED FISCAL YEAR 2006/07 PROPERTY TAX LEVY, REMOVING THE TORT SETTLEMENT RECOVERY FUND, AND LEAVING THE 2% PRIMARY RATE AND NEW PROPERTY CONSTRUCTION AMOUNTS – OK – 6/1 (TN)

Requests:

1. Receive public input relative to the proposed FY 2006/07 property tax levy.
2. By roll-call vote, approve a motion to consider adoption of the property tax levy on June 20, 2006 in accordance with Arizona State Statutes (42-17107) and the City Charter (Article 6 Finance and Taxation, Section 5 Public Hearing and Adoption of Budget).

Staff Contact(s): Craig Clifford, Financial Services General Manager/CFO, 480-312-2364, cclifford@scottsdaleaz.gov

17. Third and Final Public Hearing on the FY 2006/07 Operating Budget and Capital Improvement Plan – MOTION TO REMOVE THE CULTURAL COUNCIL SUBSIDIES OF \$250,000 FOR THEATER 4301 AND \$54,000 FOR THE SMOCA COLLECTION – FAILED – 2/5 (MM, BD, WE, RM, TN)

MOTION TO REMOVE THE \$300,000 MOTOR MILE MARKETING SUBSIDY FROM THE BUDGET – FAILED – 3/4 (MM, BD, WE, RM)

Request: Solicit public testimony on FY 2006/07 Operating Budget and Capital Improvement Plan.

Staff Contact(s): Craig Clifford, Financial Services General Manager/CFO, 480-312-2364, cclifford@scottsdaleaz.gov; Art Rullo, Budget Director, 480-312-2435, arullo@scottsdaleaz.gov

MAYOR AND COUNCIL ITEM 18

*****18. Review of Prior Council Approval of Site Identified for the Appaloosa Library – MOTION TO RESCIND - WITHDRAWN**

Requests:

1. At the request of Vice Mayor Lane, consider motion to rescind the City Council's May 15, 2006 approval of the site identified in the Silverstone project near Scottsdale and Pinnacle Peak Roads for the Appaloosa Branch Library.
2. In the event Item 1 is approved, provide further direction to staff regarding site selection for this branch library.

Staff Contact(s): Debra Baird, Community Services General Manager, 480-312-2480, dbaird@scottsdaleaz.gov; Rita Hamilton, Library Director, 480-312-7039, rahamilton@scottsdaleaz.gov

Adjourn the Regular City Council Meeting and Convene City Council Special Meeting.

CITY COUNCIL SPECIAL MEETING

1. **Adoption of Final Budget Estimates FY 2006/07 – MOTION TO ADOPT ORDINANCE 3681 – OK – 7/0**
Request: Adopt Ordinance No. 3681, the Final Budget Estimates for FY 2006/07, in accordance with Arizona Statutes and the City Charter.
Staff Contact(s): Craig Clifford, Financial Services General Manager/CFO, 480-312-2364, cclifford@scottsdaleaz.gov; Art Rullo, Budget Director, 480-312-2435, arullo@scottsdaleaz.gov

City Manager's Report – NONE

Public Comment – NONE

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Adjourn the Special City Council Meeting and Convene: - 9:55 PM

- **DC Ranch Community Facilities District Board of Directors (Agenda Attached)**
- **McDowell Mountain Ranch Community Facilities District Board of Directors (Agenda Attached)**
- **Scottsdale Mountain Community Facilities District Board of Directors (Agenda Attached)**
- **Via Linda Community Facilities District Board of Directors (Agenda Attached)**
- **Waterfront Commercial Community Facilities District Board of Directors (Agenda Attached)**

**NOTICE OF PUBLIC MEETING OF THE
BOARD OF DIRECTORS OF
DC RANCH COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the general public that a special meeting of the DC Ranch Community Facilities District of Scottsdale, Arizona, open to the public, will be held on Tuesday, June 6, 2006 at 5:00 p.m. immediately following the meeting of the Scottsdale City Council in the City Council Chambers of the City of Scottsdale, Arizona, located at 3939 Drinkwater Boulevard, Scottsdale, Arizona, 85251, telephone number (480) 312-2412.

The agenda for the meeting is as follows:

1. Call to Order – **10:04 PM**
2. Approval of Minutes of Tuesday, June 7, 2005 – **OK – 7/0**
3. Adopt Resolution No. 23, which sets out preliminary budget and calls for Public Hearing – **OK – 7/0**
4. Call for Public Comments on the budget – **NONE**
5. Adopt Resolution No. 24, which approves the budget, **authorizes excess operation and maintenance funds be used to offset debt service expense**, and sets tax levy – **OK – 7/0**
6. Adjournment – **10:06 PM**

**NOTICE OF PUBLIC MEETING OF THE
BOARD OF DIRECTORS OF
McDOWELL MOUNTAIN RANCH
COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the general public that a special meeting of the McDowell Mountain Ranch Community Facilities District of Scottsdale, Arizona, open to the public, will be held on Tuesday, June 6, 2006 at 5:00 p.m. immediately following the meeting of the Scottsdale City Council in the City Council Chambers of the City of Scottsdale, Arizona, located at 3939 Drinkwater Boulevard, Scottsdale, Arizona, 85251, telephone number (480) 312-2412.

The agenda for the meeting is as follows:

1. Call to Order – **10:06 PM**
2. Approval of Minutes of Tuesday, June 7, 2005 – **OK – 7/0**
6. Adopt Resolution No. 35, which sets out preliminary budget and calls for Public Hearing – **OK – 7/0**
7. Call for Public Comments on the budget – **NONE**
8. Adopt Resolution No. 36, which approves the budget and sets tax levy – **OK – 7/0**
6. Adjournment – **10:07 PM**

**NOTICE OF PUBLIC MEETING OF THE
BOARD OF DIRECTORS OF
SCOTTSDALE MOUNTAIN COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the general public that a special meeting of the Scottsdale Mountain Community Facilities District of Scottsdale, Arizona, open to the public, will be held on Tuesday, June 6, 2006 at 5:00 p.m. immediately following the meeting of the Scottsdale City Council in the City Council Chambers of the City of Scottsdale, Arizona, located at 3939 Drinkwater Boulevard, Scottsdale, Arizona, 85251, telephone number (480) 312-2412.

The agenda for the meeting is as follows:

1. Call to Order – **10:07 PM**
2. Approval of Minutes of Tuesday, June 7, 2005 – **OK – 7/0**
9. Adopt Resolution No. 38, which sets out preliminary budget and calls for Public Hearing – **OK – 7/0**
10. Call for Public Comments on the budget – **NONE**
11. Adopt Resolution No. 39, which approves the budget and sets tax levy – **OK – 7/0**
6. Adjournment – **10:08 PM**

**NOTICE OF PUBLIC MEETING OF THE
BOARD OF DIRECTORS OF
VIA LINDA COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the general public that a special meeting of the Via Linda Community Facilities District of Scottsdale, Arizona, open to the public, will be held on Tuesday, June 6, 2006 at 5:00 p.m. immediately following the meeting of the Scottsdale City Council in the City Council Chambers of the City of Scottsdale, Arizona, located at 3939 Drinkwater Boulevard, Scottsdale, Arizona, 85251, telephone number (480) 312-2412.

The agenda for the meeting is as follows:

1. Call to Order – **10:08 PM**
2. Approval of Minutes of Tuesday, June 7, 2005 – **OK – 7/0**
12. Adopt Resolution No. 19, which sets out preliminary budget and calls for Public Hearing – **OK – 7/0**
13. Call for Public Comments on the budget – **NONE**
14. Adopt Resolution No. 20, which approves the budget and sets tax levy – **OK – 7/0**
6. Adjournment – **10:09 PM**

**NOTICE OF PUBLIC MEETING OF THE
BOARD OF DIRECTORS OF
WATERFRONT COMMERCIAL COMMUNITY FACILITIES DISTRICT
OF SCOTTSDALE, ARIZONA**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the general public that a special meeting of the Waterfront Commercial Community Facilities District of Scottsdale, Arizona, open to the public, will be held on Tuesday, June 6, 2006 at 5:00 p.m. immediately following the meeting of the Scottsdale City Council in the City Council Chambers of the City of Scottsdale, Arizona, located at 3939 Drinkwater Boulevard, Scottsdale, Arizona, 85251, telephone number (480) 312-2412.

The agenda for the meeting is as follows:

1. Call to Order – **10:09 PM**
2. Approval of Minutes of Tuesday, November 1, 2005 – **OK – 6/0 (BD COI)**
15. Adopt Resolution No. 3, which sets out preliminary budget and calls for Public Hearing – **OK – 6/0 (BD COI)**
16. Call for Public Comments on the budget – **NONE**
17. Adopt Resolution No. 4, which approves the budget and sets tax levy – **OK – 6/0 (BD COI)**
6. Adjournment – **10:10 PM**